



521 Drainage Authority
Minutes Of The Board
December 30, 2009
Mesa County Courthouse
544 Rood Avenue, Training Room "B", Grand Junction, Colorado

Board Members Present:

Dave Walker, Chairman
Richard Bowman, Secretary
Craig Meis, Treasurer
Linda Romer Todd, Assistant Secretary

Board Member Absent:

Mel Mulder, Vice-Chairman

Technical and Authority Staff Present:

John Ballagh	Grand Valley Drainage District, Manager
Julie Constan	Mesa County, Senior Engineer
Ken Haley	City of Fruita, Engineer
Trent Prall	City of Grand Junction, Engineering Manager
Bud Thompson	Mesa County, Project Manager

Guests Present:

Ken Henry	City of Fruita, Mayor
Clint Kenny	City of Fruita, City Manager
Jon Peacock	Mesa County, Administrator
Jamie Hamilton	Home Loan Investment
John Shaver	City of Grand Junction, Attorney
Larry Beckner	5-2-1 Drainage Authority, Attorney
Tim Moore	City of Grand Junction, Administrator
Kevin Williams	Grand Valley Drainage District, Board Member

Called to Order

Chairman Walker called the meeting to order at 2:08 p.m. Roll was called and a quorum declared with no City of Fruita voting member present.

Motion passed to add two items to the agenda: Dave Walker, Chairman
Seconded: Director Bowman

1. 5-2-1 Drainage Authority staff update from Mesa County.
2. Overview of insurance coverage for the 5-2-1 Drainage Authority by Jamie Hamilton from Home Loan Investment.

Review and Adoption of the Agenda:

Motion to adopt the agenda as amended: Chairman Walker

Seconded: Director Todd

Motion passed with voice vote of 4-0

Consent Agenda:

1. Agenda Item 1 – Review and adopt minutes of the December 9, 2009, Special Meeting of the 5-2-1 Drainage Authority Board Meeting to discuss City of Grand Junction operational services contract.
2. Agenda Item 2 – Financial Reports
3. Agenda Item 3 – Approve Resolution 2009 – 12 Adopt Mesa County Multi-Jurisdiction Hazard Mitigation Plan

Motion passed for adoption of Consent Agenda: Director Todd

Seconded: Director Bowman

Motion passed with voice vote of 4-0

End of Consent Agenda

Amended Agenda Item 4:

5-2-1 Drainage Authority Staff Report by Mesa County - Jon Peacock

1. December 31, 2009 is the last day of employment for the 5-2-1 Drainage Authority staff.
2. Stormwater Inspector will be employed by Mesa County
3. Office Manager is still working with Mesa County for employment
4. Manager will receive severance package
5. Office close out with final inventory and documentation of all assets.
6. Next meeting decide how to dispose of the assets
7. City will take over all the files
8. Office will be closed and determine lease options

Amended Agenda Item 5:

Overview of Insurance for 5-2-1 Drainage Authority Board - Jamie Hamilton

The 5-2-1 Drainage Authority was set out on its own as a Special District through the Special Districts Association for the State of Colorado Law. The coverage provided are:

General Liability – trip and fall coverage for office space

Public Officials – appointed board members for decisions or lack of decision operating under the 5-2-1 Drainage Authority would have defense provided for public officials

The renewal date is January 1, 2010. With change in operation and exposure less than year before, the premium will go from \$6,900 to \$4,800 per year with \$2,800 being the least amount. To amend coverage by dropping limits with auto, we can secure renewal with pending credits and adjust in the next 90 days. The 5-2-1 Drainage Authority must have insurance with the lease agreement.

Hold Harmless and Indemnification - significant discussion was held regarding hold harmless and indemnification coverage. The Board directed the City of Grand Junction attorney and the Board attorney to discuss and come to an agreement. The insurance company will also need to agree.

The 5-2-1 Drainage Authority board authorizes Mesa County to issue a check in the amount of \$4,800 for renewal of insurance. Further discussion to amend policy coverage will be discussed at the next meeting on January 27, 2010.

Motion passed to authorize renewal of 5-2-1 Drainage Authority insurance: Director Todd
Seconded: Director Bowman
Motion passed with voice of 4-0

Executive Session – Board agreed not to move into Executive Session for Discussion of Contractual Matter but to continue with Open Session

Action Items

Amended Agenda Item 6:

Contract for Services to the City of Grand Junction for Administration of the 5-2-1 Authority

John Peacock reviewed and discussed the contract terms with the City of Grand Junction looks very much like the past agreement with Mesa County.

- ❖ **Staffing:** Contract term differences are Mesa County was committed to hire three full time employees, Manager, Office Manager and Inspector. The City of Grand Junction's agreement assigns existing staff part time to complete the duties of the 5-2-1 Drainage Authority. The City Manager will be the contact for the contract working through the Public Works and Planning Director. Jim Shanks, Deputy Public Works and Planning Director will manage the program and oversee City inspection and other support staff. City Manager and Public Works and Planning Director will maintain more control over management with more of a hierarchy than in the past. The City of Grand Junction is considered a contract service.
- ❖ **Interviewing Manager:** This provision applied to Mesa County hiring a separate manager and is not part of the business model for the new agreement.
- ❖ **Financial Services:** The 5-2-1 Drainage Authority Board will have the ability to direct who will conduct the annual audit and auditor will report back the Board. The City of Grand Junction contract includes the use of the City's auditor.
- ❖ **Information Technology:** Once the 5-2-1 Drainage Authority office is separated from Mesa County, the City of Grand Junction will provide all Information Technology services. For continuation of GIS (Arch Editor) City of Grand Junction maintains license.
- ❖ **Purchasing Services:** Same scope of purchasing services, will adopt City of Grand Junction purchasing procedures.
- ❖ **Professional Services:** Administrative support will move towards more of a summary of minutes on Action Items of the Board and what is required by law. No need for the word for word minutes previously provided.

- ❖ **Permitting Duties:** No difference
Permit fees are revenue for the 5-2-1 Drainage Authority and not the City of Grand Junction. The Hotline will remain in operation with the same phone number.
- ❖ **Transfer of Enforcement:** No difference
- ❖ **Review of drainage reports:** No difference
- ❖ **Term:** Provisions requiring the termination of 5-2-1 staff upon cancelation of the contract have been removed in the City of Grand Junction version. Otherwise the terms are the same.
- ❖ **Payment:** The City of Grand Junction is requesting quarterly payments of \$50,000 beginning January 1, 2010. The Mesa County contribution to the 5-2-1 Drainage Authority was through staffing and support of the 5-2-1 Drainage Authority.
- ❖ **Restriction on Authority:** No difference
- ❖ **Relationship between parties:** No difference
- ❖ **Hold Harmless:** No difference
- ❖ **Assignment:** No difference
- ❖ **Scope:** No difference
- ❖ **Amendment:** No difference
- ❖ **Non-waiver:** No difference
- ❖ **Attorney Fees and Costs:** No difference
- ❖ **Severability:** No difference

Director Bowman asked about conflict resolution: Is there an agreement or some level of chain of command for conflict with the different entities? Inspector will have different criteria between Palisade, Mesa County, City of Grand Junction or Fruita. Know procedures to go through before enforcement. Issue deferred to Manager for recommendation. City inspector meets with contractor, can't agree on compliance, is there somewhere for process with a different set of agreements. Technical Advisory Committee (TAC) will continue to meet and report to the 5-2-1 Drainage Authority Board.

Move to accept contract before us with the discussed amended changes to be reviewed and implemented by legal and authorizing chair to sign final documents: Director Todd
 Seconded: Director Meis
 Motion passed with voice of 4-0

Motion to move to authorize the Chair to sign a new signature card and resolution for American National Bank for the 5-2-1 Drainage Authority: Director Todd
 Seconded: Director Meis
 Motion passed with voice of 4-0

Approve Resolution 2009-05 – 2010 Budget

Final approval on budget – Craig Meis made sure the Resolution reflects both the revenue and appropriations. There will be an independent audit of the 2009 year from the 2009 budget. There was an unaccounted \$125,000 from the 2009 budget. Jon Peacock will have the Mesa County Finance Department go back through bank records and track what was approved and to understand where the \$125,000 error took place. It was recommended the audit take place sooner than later, prior to paying the \$25,000 severance package. Severance package will be paid from 2009 budget.

Director Todd would like projected final costs between Mesa County and 521 Drainage Authority by next meeting.

Motion to amend the first line item on Resolution 2009-05 from \$365,019 to \$342,519. Add back in legal expenses (\$3,500) and subtract out severance package (\$26,000). There are no other changes to adopt the resolution.

Motion to approve Resolution 2009-05 to Resolution to adopt 2010 Budget: Director Walker
Seconded: Director Todd

Motion passed with voice of 4-0

- ❖ Mesa County and City of Grand Junction will inventory all assets at the 5-2-1 Drainage Authority office.
- ❖ City of Grand Junction will be responsible for 5-2-1 Drainage Authority accounts. The Board will be provided with an updated list of City staff representing the 5-2-1 Drainage Authority.
- ❖ Need to have all the IGA's signed and notarized
- ❖ Have all the permits uploaded for 5-2-1 Drainage Authority overall permit
- ❖ Have there been any press inquiries as to what is happening with 521?
- ❖ January 27th meeting discuss recommendations on what to do with the assets.
- ❖ Discuss possible bi-monthly or quarterly meetings
- ❖ Eric Mende will send out email in regards to change of hands, sign on door will be put up.
- ❖ Bosley Wash-TAC will discuss scope of changes needed and City will determine if they can complete in-house.

The next regular 5-2-1 Drainage Authority Board Meeting will be held January 27, 2010, at 3:00 p.m. at the Mesa County Courthouse in Training Room B.

Meeting adjourned at 4:08 p.m.



David R. Walker, Chairman